

Minutes of the meeting held on October 11, 2022

Present: Francis Murphy – Chair, Michael Gardner, John Shinkwin, Joseph McCann, Ellen Philbin, James Quirk, and Chris Burns.

Arrived Late: Nadia Chamblin-Foster (Not present for agenda items 1, 2, 3, 4, 5, 7, and 8)

The meeting was called to order at 11:03 AM. The meeting was digitally recorded. This was a hybrid meeting, held in-person in the Sheila Tobin Conference Room at 125 CambridgePark Drive, with some participants joining via Webex videoconference.

Agenda Item #1 – Minutes

Motion by Gardner, seconded by McCann to accept the minutes of the investment review meeting held on August 31, 2022. The motion carried on a 4-0 vote with Chamblin-Foster absent.

Motion by Shinkwin, seconded by McCann to accept the regular minutes of the meeting held on September 6, 2022. The motion carried on a 4-0 vote with Chamblin-Foster absent.

Motion by McCann, seconded by Gardner to accept the executive session minutes of the meeting held on September 6, 2022. The motion carried on a 4-0 vote with Chamblin-Foster absent.

Agenda Item #2 - Warrants

Motion by McCann, seconded by Shinkwin to accept payment of Warrant #18 in the amount of \$9,023,302.35 and Warrant #19 in the amount of \$1,092,430.99. The motion carried on a 4-0 vote with Chamblin-Foster absent.

Agenda Item #3 – Superannuations

Motion by McCann, seconded by Shinkwin to accept the Superannuation retirement applications submitted by Jean Bracken, Senior Laborer, Dept. of Public Works with nineteen years; Emily Finn, Registered Nurse, Cambridge Health Alliance with twenty years, six months; Laurie Graham, Milieu Counselor, Cambridge Health Alliance with seventeen years, three months; Brooke Hallett, Cardiac Sonographer, Cambridge Health Alliance with eleven years, four months; Joseph Nunley, Firefighter/EMT with thirty-five years, ten months; Jean Rogers, Chief Ranger, Water Dept. with thirty-two years, two months; Lynne Seeley, Registered Nurse, Cambridge Health Alliance with thirty-two years, one month; Regina Silva, Paraprofessional, School Dept. with twenty years, seven months; Daniel Wagner, Deputy Superintendent, Police Dept. with twenty-five years, three months. The motion carried on a 4-0 vote with Chamblin-Foster absent.

Agenda Item #4 - Make-ups/Redeposits/Liability

The Board reviewed make-up and redeposit worksheets for four members.

Motion by Gardner, seconded by Shinkwin and to allow the make-up of service by Wansley Francois for 1 year, 3 months; Amany Hyte for 3 months; Rebeca I. Matos for 3 years, 9 months; Amanda L. Nahodil for 11 months; and to allow the redeposit of a refund for Rebeca Matos for 4 years, 4 months. The motion carried on a 4-0 vote with Chamblin-Foster absent.

Agenda Item #5 – Refund Applications

The Board reviewed a list of refund applications submitted in September.

Motion by Gardner, seconded by Shinkwin to accept seven refund applications. The motion carried on a 4-0 vote with Chamblin-Foster absent.

The Chairman requested to adjourn the open meeting and go into executive session for the purpose of discussing disability retirement applications. The Chairman stated that the meeting

would reconvene in open session the conclusion of the executive session. On a roll call, the vote was as follows:

John Shinkwin:	YES
Michael Gardner:	YES
Joseph McCann:	YES
Francis Murphy:	YES
Nadia Chamblin-Foster:	ABSENT

Agenda Item #6 – Accidental Disability Application – Steve Ortiz

The Board reviewed the member's application, treating physician's statement and employer's statement pertaining to Steve Ortiz' Accidental Disability application. Attorney Thomas Gibson appeared, representing the member.

Motion by Gardner, seconded by Shinkwin to accept the Accidental Disability application filed by Steve Ortiz and to request that PERAC convene a medical panel. Voted unanimously.

Agenda Item #7 – Accidental Disability Benefit – Diarra Jones

The Board reviewed the certificates and narrative reports of three separate medical panel exams, member's application, treating physician's statement and employer's statement pertaining to Diarra Jones' Accidental Disability application. Attorney Thomas Gibson appeared, representing the member.

Motion by McCann, seconded by Shinkwin to accept the findings of the medical panel and to grant Accidental Disability to Diarra Jones, Laborer in the Dept. of Public Works. The motion carried on a 4-0 vote, with Chamblin-Foster absent.

Agenda Item #8 – Accidental Disability Benefit – Prem Tamang

The Board reviewed the certificates and narrative reports of three separate medical exams, the member's application, treating physician's statement and employer's statement pertaining to Prem Tamang's Accidental Disability application. Attorney Thomas Gibson appeared, representing the member.

Motion by Shinkwin, seconded by McCann to accept the majority findings of the medical panel and grant Accidental Disability benefits to Prem Tamang, a Maintenance Mechanic in the Housing Authority. The motion carried on a 4-0 vote, with Chamblin-Foster absent.

Agenda Item #9 – Accidental Disability Benefit – Eduardo Santana

The Board reviewed the certificates and narrative reports of three separate medical exams, letters from the panel clarifying the initial reports, the member's application, treating physician's statement and employer's statement pertaining to Eduardo Santana's Accidental Disability application. Attorney Timothy Smyth appeared, representing Eduardo Santana.

Gardner moved to deny the Accidental Disability application filed by Eduardo Santana. The motion failed for lack of a second.

Chamblin-Foster moved to request that PERAC appoint a new medical panel physician and to disqualify one report as not responsive to the request for clarification. Shinkwin seconded the motion. Gardner noted that the Board has never attempted to disqualify a single physician's report. Quirk stated that he does not believe that Cambridge has ever made this request but there is precedent for PERAC to take such an action. The motion carried on a 4-0 vote with Gardner voting in the negative.

Gardner requested that he be allowed to review a copy of the correspondence to PERAC which outlines the reasons why Dr. Friedberg should be disqualified. The Chairman requested that Attorney Quirk prepare a draft letter for review at the November meeting.

Agenda Item #10 – Accidental Disability Application – Robert A. Walsh

The Board reviewed the member's application, treating physician's statement and employer's statement pertaining to Robert A. Walsh's Accidental Disability application. Motion by Gardner, seconded by Shinkwin to accept the Accidental Disability application filed by Robert A. Walsh, a Firefighter, and to request that PERAC convene a medical panel. Voted unanimously.

Agenda Item #11 – PERAC Memos

The Board reviewed PERAC Memos #23, 24 and 25.

The Director stated that Cambridge stopped allowing retirement deductions to be taken from buyouts of unused vacation time prior to 2018 and so no changes would be made. McCann noted that as a member of the MassPort retirement system, he did have deductions taken from vacation pay and that, depending on his future pay, those dates might be his three highest years of pay.

Agenda Item #12 - Old Business

The Director stated that PERAC has not responded to the Board's correspondence regarding group classification for Emergency Communications dispatchers. Quirk noted that PERAC refused to accept a supplemental regulation in Belmont which granted Group 2 status to 911 dispatchers.

Agenda Item #13 - New Business

The Board reviewed correspondence from Attorney Quirk and a civil complaint filed in Suffolk Superior Court regarding hrMecca, Inc v. Pension Technology Group.

Quirk stated that he was recently notified that a suit had been filed against PTG, which provides a database program to most of the retirement systems in Massachusetts. The suit alleges that hrMecca provided software development, maintenance and support to PTG but has not been paid over \$1.7 million in fees. Quirk noted that it appears that hrMecca and PTG still maintain a working relationship despite the lawsuit and that there has been no interruption in services provided. He also noted that it does not appear that PTG ever disclosed that a third party was performing software development on their behalf, although PTG was not necessarily required to disclose that under their contract. He stated that there does not appear to be any security risk with the data now managed by PTG.

The Cambridge Retirement System, as well as 27 other public retirement systems, have been named as reach and apply defendants. This means that in the event of a judgment against PTG which PTG cannot pay, the reach and apply defendants would be obligated to pay any money owed to PTG directly to hrMecca. It appears that none of the reach and apply defendants have been properly served notice of the lawsuit to date.

Quirk stated that he had a conversation with an attorney representing PTG to try to get more information but he was unable to get any information. Quirk noted that it was not surprising that they attorneys would be reluctant to discuss the case while the litigation was ongoing.

The Director reviewed the system's history working with PTG. The system formerly used a database program from Tyler Technologies. Two former Tyler employees left the company and formed PTG. Cambridge has used the PTG database since 2009. The majority of the retirement systems in Massachusetts now use PTG and Tyler has largely stopped development on pension software. PTG has been a very good service provider with excellent customer service. She added that she found it disconcerting that PTG had offered so little information about the lawsuit. She stated that she was aware that one retirement system has issued an RFP to explore other database providers. Quirk stated he was not sure what type of responses they might get and that PTG may be the only firm providing the service.

Gardner moved to authorize Attorney Quirk to monitor developments in the case and make recommendations to the Board, and to authorize the Board Chair to instruct Attorney Quirk to

take any other actions he deems necessary to protect the Board's interests. McCann seconded the motion and it was voted unanimously.

The Chairman stated that the Board would consider a schedule for meetings in 2023 at the November meeting.

Agenda Item #14 – Executive Session

Agenda Item #6 – adopted

Agenda Item #7 – adopted

Agenda Item #8 – adopted

Agenda Item #9 – requested appointment of new single exam

Agenda Item #10 – adopted

Agenda Item #15 - Chairman's Report

The Chairman stated that he attended the MACRS conference. The keynote speaker was Representative Steven Xiarhos. He was a Police Officer for 40 years and also the father of a Marine who was killed in Afghanistan in 2009. He pushed for the adoption of Nero's Law, which allows EMTs to treat and transport police K9 dogs in an ambulance. PERAC gave a presentation on certain aspects of the retirement law which are not commonly understood. This included regulations on the timing of retirement applications for members who deferred collection of their benefit, as well as interest payments to members who redeposit refunds. PERAC also recommends that each Board member be annually given a copy of the open meeting law.

The Chairman stated that in his conversations with retirees, he found that the vast majority did not realize that it was necessary to notify the City in order to have their Medicare reimbursement rate updated. He stated that he had invited Sheila Keady-Rawson to attend a future meeting to try to report on when Medicare reimbursements could be adjusted. Gardner stated that his memory from when the reimbursements were first offered as a benefit is that the City would only reimburse based on the standard rate. Retirees who pay a higher rate due to their income would still only be reimbursed at the standard rate. Given that, it should not be necessary for each retiree to report changes to their Medicare rate.

Rafik Ghazarian joined the meeting to discuss changes to the Hancock Timberland X fund. Hancock received a tender offer from Stafford to purchase up to 40% of the Timberland X portfolio. Existing limited partners have the option to sell out of their shares, to buy additional shares or to maintain the current holding. Ghazarian recommended that Cambridge opt to neither buy nor sell their shares as the fund is already near the target allocation to timber. Cambridge also has an existing commitment to invest an additional \$30 million in the Hancock Timber & Farmland Fund. Hancock has requested that LPs approve an extension of the fund for an additional twelve years. Ghazarian stated that the terms of the fund extension are favorable and include a reduction in the management fee. The investment strategy is unchanged. Hancock requires a response by October 19. Ghazarian stated that if the extension is not approved, the fund is scheduled to terminate in approximately two years. Segal rates Hancock as a recommended manager with a good record of investment performance. They do not believe the investment by Stafford will have any negative impact on performance. Ghazarian said he would recommend accepting the extension due to the manager's strong record and to avoid having to issue an RFP for a new manager if the fund terminates in two years. Gardner moved to accept the recommendation from Segal and to allow extension of the Hancock Timberland X fund for an additional twelve years. Shinkwin seconded the motion and it was voted unanimously.

Agenda Item #16 – Executive Director's Report

The Director stated that she would schedule the next investment review meeting at the end of November.

Eileen Hayes is working to convert all retirees to direct deposit. There are now seven retirees who are still being paid by check.

Gardner stated that he received notice from PERAC that he was required to file a 268A form. The Director offered to contact PERAC to check what was required.

The following documents were also reviewed by the Board:

- Notice of Retiree Deaths
- July Financials – General Ledger, Summary of Accounts, Trial Balance, Adjustments, Cash Disbursements, Cash Receipts, Wire Transfers
- August Financials – General Ledger, Summary of Accounts, Trial Balance, Adjustments, Cash Disbursements, Cash Receipts, Wire Transfers
- PERAC Pension News, September 2022
- Correspondence from Intercontinental Real Estate
- Correspondence from Wellington

McCann moved to adjourn at 2:15 PM.